

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6934

BILL NUMBER: SB 187

NOTE PREPARED: Mar 27, 2003

BILL AMENDED: Mar 27, 2003

SUBJECT: Education Matters.

FIRST AUTHOR: Sen. Lubbers

FIRST SPONSOR: Rep. Porter

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: Local

Summary of Legislation: (Amended) The bill changes the required publication date and some components of school corporation annual performance reports (APR). The bill requires APRs to include ISTEP test scores and an explanation of the statistical significance of variance in ISTEP scores. The bill provides for APRs to be made available on the Internet. The bill requires school corporations to provide free copies of APRs upon request. The bill removes language concerning the performance based accreditation program. The bill creates the Commission for Superior Academic Achievement by all Students (The Commission.) The bill requires the commission to submit a preliminary report of its activities to the Governor, State Superintendent, State Board of Education, Education Roundtable, and General Assembly not later than December 1, 2003, and a final report not later than December 1, 2004. (The introduced version of this bill was prepared for the interim study committee on education issues.)

Effective Date: July 1, 2003.

Explanation of State Expenditures: (Revised) *Annual Performance Reports:* No additional expenditures would be required at the state level for the implementation of the bill. Currently, the data from school corporations that is used for school corporation APRs is already provided to the Department of Education and placed into the Department's databases. The bill would allow the Department additional time to collect this data for the 2003 school year. The Department should not incur additional expenditures by the requirement to post on the Department's Internet site each school corporation's annual report. The Department already maintains an Internet site including reports and data on other educational topics.

Commission for Superior Academic Achievement: Under the bill, a 32-member commission would be established. Membership would be divided at 16 legislators and 16 citizen members. The commission would

be required to submit a preliminary report of its activities to the Governor, State Superintendent, State Board of Education, Education Roundtable, and General Assembly not later than December 1, 2003 and a final report not later than December 1, 2004. The reports should make recommendations concerning the elimination of the gaps in the achievement levels of student sociodemographic subgroups and improvements beyond proficiency to advanced levels in the state's standard of academic achievement.

The Commission would be staffed by the Department of Education. The Department could incur additional expenses from staffing the commission.

The Commission may accept any available state funding and private donations for operations. The estimated cost would depend on the number of staff employed. The Commission terminates December 31, 2004.

Explanation of State Revenues:

Explanation of Local Expenditures: *Annual Performance Reports:* By moving the publication of the school year 2002-2003 APR from September 2003 to January 2004, school corporations could experience a one-time decrease in expenditures related to publishing costs in CY 2003. Savings would depend on the school corporation and local action on the choice of publication used. Approximately 289 school corporations operate on a calendar year budget.

Contents of the Report: The bill changes the requirements on contents of the APR. Additional benchmark/indicator information for student enrollment, more detailed financial information, and various school performance-related cost factors would be required in the report under the bill. More detailed counts of teachers that are certified employees and teachers teaching in the subject area for which they are licensed would also have to be included in the APR. An APR must include number of students receiving expulsions and those expelled in other recognized education programs. However, under the bill, staff professional development and number and types of partnerships with the community, business, or higher education, and levels of parental participation would be included in the report at the discretion of the school corporation.

Background on Publishing Charges: Under current law, basic publishing charges are by the line with squares of 250 ems. Before January 1, 1996, the rate was \$3.30 per square for the first insertion in a newspaper or qualified publication plus \$1.65 per square for each additional insertion in a newspaper or qualified publication. After December 31, 1995, and before December 31, 2005, a newspaper or qualified publication may, effective January 1, increase the basic charges by 5% more than the basic charges that were in effect during the previous year. However, the basic charges for the first insertion of a public notice in a newspaper or qualified publication may not exceed the lowest classified advertising rate charged to advertisers by the newspaper or qualified publication for comparable use of the same amount of space for other purposes. An additional charge of 50% is allowed for the publication of all public notice advertising containing rule or tabular work.

Background on ADM: For the 2001-2002 school year, Indiana's average daily membership (ADM) consisted of 959,611 students, and public school enrollment totaled 995,507. Approximately 1,900 public schools were in operation within Indiana's 293 school corporations during that time.

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Education; Legislative Services Agency.

Local Agencies Affected: School corporations.

Information Sources: Terry Spradlin, Indiana Department of Education, (317) 232-6671; DOE SAS and ORACLE DATABASES.

Fiscal Analyst: Chris Baker, 317-232-9851